



STATE OF WASHINGTON
WASHINGTON STATE BOARD OF HEALTH
*1102 SE Quince Street • PO Box 47990
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February 5, 2003

The Honorable Alex Deccio, Chair
Senate Health & Long Term Care Committee
213A Newhouse Building
Post Office Box 40414
Olympia, Washington 98504-0414

Dear Senator Deccio:

Thank you for meeting yesterday with our Executive Director, Don Sloma, to hear about the Board, our new members and our work over the past year. Thank you too for taking the time to share with him your goal in sponsoring Senate Bill 5521.

The Washington State Board of Health shares your goal in Senate Bill 5521 --- more affordable health insurance for small group employers. In these tough economic times, we all must set clear priorities and avoid having the perfect become the enemy of the good. We support reducing unnecessary regulations to increase affordability and to improve the risk pool by making small group plans more attractive to healthier employees. We understand that many of SB 5521's provisions related to risk pooling and rating are designed to achieve this goal, and we offer no position on them. We trust you will receive more expert advice than we can offer from Insurance Commissioner Kreidler on these matters.

The Board also supports the look this bill requires us all to take at the need to continue offering a "Basic Health Plan (BHP) look alike" and "mandated benefits". Last December, the Board suggested that the legislature review mandated benefits to determine the extent to which they reflect the latest cost effectiveness research. We recognize that not all such mandates may be supported by solid science. Given our interest in evidence-based medicine, we are pleased that this legislation does not repeal the requirement that effective PKU testing and diabetes training, equipment and supplies be included in small group plans.

Similarly, we are pleased that the Health Care Authority, interested as they are in evidence based medicine, currently includes many mandated benefits under the BHP, including chemical dependency treatment, home health and hospice, mammography, reconstructive breast surgery, mastectomy, mental health care, prenatal testing, and limited neurodevelopmental treatment of children 0 to 6. They do this even though they don't have to --- BHP is exempt from all "mandated benefits" laws.

However, I must share with you the Board's concern that as currently drafted, Senate Bill 5521 might reduce access both to these services and to proven clinical preventive services right along

with some services that may not be as well justified. We hope you will consider amendments or alternative approaches.

In addition to the services listed above, the BHP now offers a full range of proven clinical preventive services, based on the recommendations of the United States Clinical Preventive Services Task Force. These proven clinical preventive services include prenatal testing, administration of childhood immunizations, well child exams, counseling and testing for HIV and STDs, cancer, heart disease and other high-risk health screenings and more. As currently written, SB 5521 would eliminate the requirement that carriers offer small group employers a "BHP look-alike" product. That would eliminate the requirement that these proven clinical preventive services, those "mandated benefits" that BHP now offers voluntarily and other effective services now within BHP will be available in this market.

We know you share our concern for public health. The services listed above have proven value in improving the health status of Washington residents. If it is necessary, for the sake of increasing affordability, and therefore access to at least some insurance coverage in the small group market, that proven clinical preventive and proven treatment services no longer be required there, we want to work with you to find alternatives so that these services are accessible to this population. Alternatively, we respectfully suggest that SB 5521 be amended to protect access to these proven services in the small group market, even as you promote affordability there.

Sincerely,

A handwritten signature in cursive script, reading "Linda Lake".

Linda Lake
Chair, Washington State Board of Health

cc: Senate Health & Long Term Care Committee Members
Washington State Board of Health Members
Don Sloma, State Board of Health
Ree Sailors, Governor's Office of Health Policy
Patty Hayes, Department of Health
Maxine Hayes, Department of Health
Michael Arnis, Office of the Insurance Commissioner